

Message Text

CONFIDENTIAL

PAGE 01 USBERL 02164 171424Z
ACTION EUR-08

INFO OCT-01 SS-14 ISO-00 NSC-05 NSCE-00 SP-02 EB-04
INR-05 CIAE-00 /039 W
-----067080 171817Z /46
R 171400Z AUG 77
FM USMISSION USBERLIN
TO SECSTATE WASHDC 5118
INFO AMEMBASSY BONN
AMEMBASSY LONDON

C O N F I D E N T I A L USBERLIN 2164

LIMDIS

E.O.11652: GDS
TAGS: EGEN, EINV, GW, WB, UK
SUBJECT: FORD INVESTIGATES BERLIN AS POSSIBLE SITE FOR
NEW MOTOR PLANT

1. DURING AMBASSADOR STOESSEL'S AUGUST 12 MEETING WITH GOVERNING MAYOR STOBBE, STOBBE MENTIONED THAT THE FORD MOTOR COMPANY HAS BEEN LOOKING OVER BERLIN ALONG WITH SEVERAL OTHER SITES AS A POSSIBLE LOCATION FOR A NEW MOTOR PLANS, WHICH STOBBE SAID COULD SUPPLY UP TO 4,000 NEW JOBS FOR CITY. STOBBE INDICATED BERLIN WOULD BE APPRECIATIVE OF ANY ASSISTANCE IN THIS MATTER. FURTHER INQUIRIES INDICATE THAT THE FORD INTIATIVE CAME FROM THE FORD EUROPE HEADQUATERS IN BRENTWOOD, U.K. IN COORDINATION WITH FORD MANAGEMENT IN THE FRG COLOGNE HEADQUARTERS AND THE BUNDESWIRTSCHAFT MINISTERIUM. AT THE REQUEST OF FORD, DISCUSSIONS HAVE BEEN HELD VERY TIGHTLY. GREAT BRITAIN, PROTUGAL AND STRASBOURG APPARENTLY ARE SITES BEING SUTDIED ALONG WITH GERMAN SITES.

2. SENAT STATES THEY HAVE ADEQUATE LAND TO MEET FORD REQUIREMENT FOR CIRCA 90 ACRES. HOWEVER, FIRST FORD
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 USBERL 02164 171424Z

ASSESSMENT WAS THAT THE FRG/BERLIN IS NOT NOW COMPETITIVE. EVEN WITH SPECIAL BERLIN INCENTIVES WAGE COSTS WERE TOO HIGH AND WOULD ADD DM 150 TO PRODUCTION OF DM 1000 MOTOR. FOR THIS REASON AND WITH DUE ALLOWANCE FOR BRITISH LABOR PROBLEMS, BRITISH SITE SEEMED TO FORD MORE ATTRACTIVE AT THIS POINT.

3. SENAT BELIEVES MATTER IS STILL ALIVE AND IS GEARING UP

FOR RENEWED OFFER AND WILL BE LOOKING FOR ANY POLITICAL SUPPORT FROM U.S. SIDE FOR BERLIN SITE. BRIEFING ON FORD PROJECT WAS PREPARED FOR CHANCELLOR SCHMIDT U.S. VISIT, BUT IT IS NOT KNOWN LOCALLY IF ISSUE WAS INCLUDED IN FINAL SCHMIDT U.S. AGENDA. STOBBE WILL MENTION ISSUE IN HIS U.S. VISIT.

4. COMMENT: WE BELIEVE POSITIVE FORD DECISION WOULD BE GREAT MORALE BOOSTER FOR BERLIN AND MAKE SIGNIFICANT CONTRIBUTION TO BERLIN VIABILITY AND CURRENT EFFORT TO RECRUIT NEW INDUSTRIAL INVESTMENT. POLITICAL CLIMATE HERE IS EXCEPTIONALLY FAVORABLE FOR AMERICAN INVESTMENTS. WE WILL URGE SENAT TO BE AS FORTHCOMING AS POSSIBLE IN ANY NEW PACKAGE THEY MAY OFFER FORD AS INDUCEMENT IN ORDER TO OVERCOME WAGE-COST HURDLE. GEORGE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MOTORS, INDUSTRIAL PLANTS
Control Number: n/a
Copy: SINGLE
Sent Date: 17-Aug-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977USBERL02164
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770297-0238
Format: TEL
From: USBERLIN
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770851/aaaabraf.tel
Line Count: 77
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: e8b21759-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: LIMDIS
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 04-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1571778
Secure: OPEN
Status: NATIVE
Subject: FORD INVESTIGATES BERLIN AS POSSIBLE SITE FOR NEW MOTOR PLANT
TAGS: EGEN, EINV, GE, WB, UK, FORD MOTOR CO
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/e8b21759-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009